IN THE UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF VIRGINIA Richmond Division

IN RE: Bankruptcy Case
No. 08-35653-KRH

CIRCUIT CITY STORES, INC., et al., Chapter 11 (Jointly administered)

Debtors.

RESPONSE TO THE LIQUIDATING TRUST'S FOURTEENTH OMNIBUS OBJECTION TO CLAIMS (REDUCTION OF CERTAIN PARTIALLY INVALID CLAIMS, RECLASSIFICATION OF CERTAIN MISCLASSIFIED CLAIMS, DISALLOWANCE OF CERTAIN INVALID CLAIMS, DISALLOWANCE OF CERTAIN LATE FILED CLAIMS, DISALLOWANCE OF CERTAIN DUPLICATE CLAIMS, AND DISALLOWANCE OF CERTAIN AMENDED CLAIMS)

Newport News Shopping Center, L.L.C., a Virginia limited liability company ("Newport"), appears before the United States Bankruptcy Court for the Eastern District of Virginia, Richmond Division ("Bankruptcy Court"), in response to the Liquidating Trust's fourteenth omnibus objection to claims (reduction of certain partially invalid claims, reclassification of certain misclassified claims, disallowance of certain invalid claims, disallowance of certain late filed claims, disallowance of certain duplicate claims, and disallowance of certain amended claims) (collectively, "the Objection"). The Objection was filed in the Bankruptcy Court on February 27, 2011 as Docket Number 10052. In response to the Objection, Newport states as follows:

1. In the Objection, the Debtors object to Newport's claim on the basis that it filed duplicate or amended claims that supersede the prior claims. Based on the information contained

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in the Objection, Newport filed claim number 7663 on January 29, 2009 in the amount of \$63,977.13. Newport also filed claim number 12057 on April 10, 2009 in the amount of \$893,583.87. Under the proposed Order only claim number 12057 survives. Newport does not seek to be paid twice, but does object to any reduction of its claim.

- 2. According to the claims register maintained by the Bankruptcy Court on its website, Newport's claim is designated as Claim No. 156. It was filed on January 29, 2009 for \$63,977.13. It was amended on April 10, 2009 to increase the amount to \$893,583.87. The basis for the increase in the amount of the claim was that the underlying real estate lease was rejected after the filing of initial claim.
- 3. Newport does not object to the disallowance of any duplicate claims that the Liquidating Trust believes to exist, so long as the full amount of Claim No. 156, as amended, as reflected on the claims register of the Bankruptcy Court is retained in whichever claim survives. Newport's consent to the disallowance of any duplicate claims does not have, and should not be construed to have, the effect of negating its claim in the amount of \$893,583.87.
- 4. The Objection further states that claim number 12057 should be reduced to a general unsecured claim in the amount of \$677,949.21 with the following basis: "Reduce by \$1,316.63 for prepetition rent, \$197,432.61 for rejection damages, \$7,727 for attorney fees and \$15,000 for damages (sign and debris removal) according to the Debtors' books and records." (Objection Ex. C)
- 5. The Objection provides insufficient information for Newport to respond to these proposed reductions. Newport does not intend that any administrative claim seek recovery for prepetition rent. Newport further states that the lease attached to its proof of claim provides for attorneys' fees and other damages necessary to prepare the property for reletting.

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6. Newport opposes the Objection only to the extent that it seeks to disallow Claim No. 156, as amended, as shown on the claims register.

WHEREFORE, Newport News Shopping Center, L.L.C., a Virginia limited liability company, prays that Claim No. 156, as amended (as shown on the claims register), be allowed in the amount of \$893,583.87, that the Objection be overruled to the extent it seeks to disallow Claim No. 156, and for such other and further relief as appropriate.

Dated: April 7, 2011 NEWPORT NEWS SHOPPING CENTER, L.L.C.

By: <u>/s/ Paul K. Campsen</u> Of Counsel

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CERTIFICATE OF SERVICE

I certify that on this 7th day of April, 2011, a true copy of the foregoing pleading was served electronically upon all parties receiving notice via ECF and via electronic mail and U.S. Mail to the following counsel for the Liquidating Trust:

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